



SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

LABOR FORCE AND EMPLOYMENT

Seaport's seasonally adjusted unemployment rate decreased in August to 3.8 percent from July's rate of 3.9 percent as shown in Seaport Table 1. In August 2000, the rate was 5.0 percent. Total employment in August increased by 140. Year-over-year, employment increased 740. Unemployment decreased by 30 from July and 410 year-over-year.

In August, Seaport's *Nonfarm Payroll Jobs* increased by 110 from July 2001, and 300 from August 2000. Most of the increase was recorded in *Construction*. However, of the two sectors in *Construction* — *Residential* and *Industrial* — only *Industrial Construction* increased, but increased enough to produce net gains for total *Construction*. The increases in *Industrial Construction* are because of road/bridge projects and construction of Bedrock Plaza, a large shopping mall in Lewiston. The Bedrock Plaza development will be home to Home Depot. Other stores considering the new plaza include: Safeway, Applebee's, Barnes & Noble, Best Buy, Famous Footwear, Fashion Bug, Eddie Bauer, Gart Sports, Great Clips, Hallmark, Linen and Things, Michael's, Old Navy, Petco, Pier 1, Postal Annex, Quizno's Subs sandwich shop, Radio Shack, Rite Aid Pharmacies, Ross Dress For Less, TJ Maxx, and Washington Mutual.

In other industries, *Food Processing* usually peaks to about 390 in June and July for harvest, and then falls to a range of 150 to 180 for the rest of the year. This year, even during the peak of harvest, employment decreased because of cut-backs by processors due to low pea prices. Permanent year round employment in *Food Processing* has been cut almost in half. In August, job increases in *Trade* were recorded (100) but remain below August 2000 levels. Although *Services* increased only slightly in August, there continues to be significant increases in the *Health Care* sector. During the last two years, *Health Care* has ac-

Seaport Table 1: Labor Force & Employment
Nez Perce County, Idaho, and Asotin County, Washington

	August 2001*	July 2001	August 2000	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	34,850	34,740	34,520	0.3	1.0
Unemployment	1,330	1,360	1,740	-2.2	-23.6
% of Labor Force Unemployed	3.8%	3.9%	5.0%		
Total Employment	33,520	33,380	32,780	0.4	2.3
Unadjusted					
Civilian Labor Force	34,600	34,620	34,160	-0.1	1.3
Unemployment	1,120	1,230	1,480	-8.9	-24.3
% of Labor Force Unemployed	3.2%	3.6%	4.3%	-0.4%	1.1%
Total Employment	33,480	33,390	32,680	0.3	2.4
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	25,610	25,500	25,310	0.4	1.2
Goods-Producing Industries	5,360	5,320	5,370	0.8	-0.2
Mining & Construction	1,500	1,380	1,350	8.7	11.1
Manufacturing	3,860	3,940	4,020	-2.0	-4.0
Food Processing	80	250	140	-68.0	-42.9
Lumber & Wood Products	730	730	720	0.0	1.4
Paper Products	1,730	1,690	1,790	2.4	-3.4
All Other Manufacturing	1,320	1,270	1,370	3.9	-3.6
Service-Producing Industries	20,250	20,180	19,940	0.3	1.6
Transportation	1,370	1,380	1,350	-0.7	1.5
Communications & Utilities	270	270	280	0.0	-3.6
Wholesale Trade	980	940	1,040	4.3	-5.8
Retail Trade	5,230	5,170	5,290	1.2	-1.1
Finance, Insurance, & Real Estate	1,370	1,380	1,400	-0.7	-2.1
Services	7,180	7,130	6,740	0.7	6.5
Government Administration	1,960	1,980	1,870	-1.0	4.8
Government Education	1,890	1,930	1,970	-2.1	-4.1
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

counted for nearly all of the increases in *Services*. The trend continued in August with employment increases in both hospitals and clinics.

SPECIAL TOPICS: UNEMPLOYMENT INSURANCE & WAGES

Unemployment Insurance (Seaport Table 2 on pg. 10)

Stabilizing the Economy: Besides helping unemployed individuals and families transition from one job to another, Unemployment Insurance (UI) acts as an automatic economic stabilizer. In a recession, UI benefits offset some of the effects of job losses on a community's spending power. Because UI benefits allow unemployed individuals and their families to continue to pay their bills, it helps maintain incomes and spending power of the stores, landlords, banks, and service providers in the community. UI softens the blow and reduces the snowball effect of job losses.

Retaining a Local Workforce: Unemployment Insurance promotes stability by making it possible for employers to retain workers during the off-season or during a short downturn. Many seasonal industries would find

Seaport Table 2: Amount of Unemployment Insurance Payments						
County	Number of Weeks Paid			Dollar Amount Paid		
	State Fiscal Year			State Fiscal Year		
	2000	2001	Change	2000	2001	Change
Clearwater	9,026	13,191	4,165	\$1,967,721	\$3,151,141	\$1,183,420
Idaho	9,886	11,535	1,649	\$2,027,998	\$2,423,122	\$395,124
Latah	7,943	8,722	779	\$1,749,278	\$2,000,105	\$250,827
Lewis	1,406	1,910	504	\$275,699	\$399,818	\$124,119
Nez Perce	12,206	17,224	5,018	\$2,353,658	\$3,562,467	\$1,208,809
Total NorthCentral Idaho	40,467	52,582	12,115	8,374,354	11,536,653	\$3,162,299

Seaport Table 3: Wages Per Covered Worker															
	Clearwater County			Idaho County			Latah County			Lewis County			Nez Perce County		
	1999	2000	% Chg	1999	2000	% Chg	1999	2000	% Chg	1999	2000	% Chg	1999	2000	% Chg
Construction	\$24,798	\$21,637	-12.7	\$18,169	\$19,993	10.0	\$21,971	\$22,490	2.4	\$19,739	\$19,000	-3.7	\$28,729	\$29,822	3.8
Manufacturing	\$31,513	\$33,115	5.1	\$31,621	\$30,660	-3.0	\$31,534	\$31,867	1.1	\$24,280	\$23,263	-4.2	\$44,335	\$45,543	2.7
Trans., Comm., & Utilities	\$25,794	\$27,241	5.6	\$29,741	\$30,492	2.5	\$26,688	\$27,887	4.5	\$17,486	\$17,352	-0.8	\$28,451	\$29,296	3.0
Trade	\$14,596	\$14,899	2.1	\$14,898	\$15,421	3.5	\$14,005	\$14,817	5.8	\$15,295	\$15,515	1.4	\$16,906	\$17,243	2.0
Finance, Insurance & Real Estate	\$16,585	\$16,954	2.2	\$19,782	\$23,483	18.7	\$21,703	\$22,444	3.4	\$13,974	\$15,333	9.7	\$30,094	\$31,354	4.2
Service	\$18,695	\$19,034	1.8	\$16,241	\$16,141	-0.6	\$18,366	\$19,649	7.0	\$17,286	\$15,977	-7.6	\$22,828	\$23,836	4.4
Government	\$25,203	\$27,129	7.6	\$25,302	\$29,602	17.0	\$30,381	\$30,789	1.3	\$20,873	\$21,929	5.1	\$28,172	\$28,207	0.1
Annual Average for County	\$23,992	\$25,085	4.6	\$22,500	\$23,987	6.6	\$23,086	\$23,814	3.2	\$18,850	\$18,957	0.6	\$27,185	\$27,862	2.5
State of Idaho	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4	\$26,049	\$27,712	6.4
SOURCE: Idaho Department of Employment, Research & Analysis UPDATED: September 20, 2001															

it much more difficult to attract and retain employees if their workers could not rely on UI to support them through the off-season.

WAGES (Seaport Table 3, above)

Local businesses are evaluating compensation packages to determine whether to increase wages for 2002. Employers usually look at the cost of living (Consumer Price Index) first. As of August 2001, the Consumer Price Index was 177.5 — a 2.7 percent increase from August 2000. Employers also look at wage trends from the previous year as shown on Table 3 and described in the following sections. *Please note that wages vary because of changes in both salary and hours worked.*

Clearwater County

Average wages in 2000 increased in all industries except for *Construction*, which decreased 12.7 percent. The average wage per worker increased 4.6 percent, falling below the state average of 6.4 percent. In September 2000, Clearwater County was hard hit by layoffs in *Lumber and Wood Products Manufacturing*, which traditionally paid the highest wages.

Idaho County

The average wage per worker in 2000 increased in all industries except for *Manufacturing* and *Services*. Idaho

County had the highest increase (6.6%) of the five counties in North Central Idaho.

Latah County

The average wage per worker increased 3.2 percent in 2000. The small increase means that buying power remained flat when figuring in the rate of inflation at 3.4 percent for 2000. The largest employment category, *Government*, posted only a 1.3 percent increase in wages.

Lewis County

Overall, wages increased only 0.6 percent in 2000. The loss of high-paying *Manufacturing* jobs from cutbacks in *Lumber and Wood Products* caused the average wage per worker to remain flat. The slight increase in wages means that buying power decreased because of the rate of inflation.

Nez Perce County

Average wages increased in all industries. However, the average change was only 2.5 percent, considerably below the state average of 6.4 percent. *Manufacturing*, traditionally paying the highest wage, increased only 2.7 percent. Because of the low increases in wages, the real change or buying power in wages remained flat when the rate of inflation is subtracted.

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Seaport—(Continued from page 10)

AREA DEVELOPMENTS

Clearwater County

- Nearly \$2 million in federal and state grants have been acquired to develop a light manufacturing industrial site in Orofino. The grants will cover the development, land costs, and construction of a 30,000-square-foot building. An expanding local company, Architectural Sign and Engraving, will be the anchor for the new building and will occupy about half of the space. The other half of the building will provide space to encourage local business to expand or outside companies to move to the county. Some companies already have inquired and are being considered.

Idaho County

- St. Mary's Hospital in Cottonwood will be constructing a new 12,000-square-foot, two-story clinic building that will house 12 new exam rooms, physician offices, procedure room, reception area, and clinic business offices. The site for the new clinic is next door to the existing clinic. The project is scheduled for completion by fall 2002. The current clinic was constructed in 1965 as a convent dormitory and will be remodeled into administrative office space.
- A wood management consultant recently visited the Elk City area conducting a feasibility study for developing a timber frame business. Timber framing is a process centuries old, involving stout posts and beams which are shaped at their connections to lock together, unlike light frame construction in which slender boards are cut to length and nailed together. Timber frame is generally left exposed to display the craftsmanship and style. After studying the wood available, the consultant said he proposed a business that would employ five to 20 employees creating ready-to-

assemble products such as small cabins, shelters, garages, and storage buildings.

Nez Perce County

- Potlatch Corporation will mothball a band saw also known as a "head rig" used to process large logs at its Clearwater Lumber Mill in Lewiston. The change in operation will eliminate 30 to 40 positions at the sawmill. Potlatch Corporation is making the change in an effort to improve sawmill efficiency, said Frank O. Carroll, company spokesman. The number of employees affected is not known because of normal attrition, such as retirement and employment in other wood units in Idaho. Shutting down the head rig is the first step in a long-term, ongoing strategy to make the Clearwater Mill consistently profitable, said Carroll. The mill intends to focus on eight-inch to 18-inch, small-end diameter logs that are ideal for the mill equipment. Smaller or larger logs will be sold or traded to obtain the logs needed to meet the mill's new strategy.
- Pay-N-Pak, a hardware and garden store at 1715 Idaho Street in Lewiston, closed its doors in September in response to the announced opening of a Lewiston Home Depot store in December. Company officials cited the entrance of Home Depot into the Lewiston Market as the main reason for closing the store. With 12 stores in Idaho, Washington and Montana, company officials know the level of performance each location needs in order to survive Home Depot's arrival. The Lewiston store did not meet those levels.

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Treasure Valley—(Continued from page 14)

LABOR FORCE AND EMPLOYMENT

The seasonally adjusted unemployment rate for the Boise City Metropolitan Statistical Area (MSA), which includes Ada and Canyon Counties, was 3.9 percent for August 2001, as shown in Treasure Valley Table 1. This rate was down one-tenth of a percentage point from the July 2001 rate of 4.0 percent, and up five-tenths of a percentage point from the August 2000 rate of 3.4 percent. Despite the increased number of layoffs throughout the Treasure Valley, the unemployment rate of 4.0 percent is well below the 5.0 percent that some economists refer to as "full employment." The economy, though slower in some industries, is still doing fairly well overall. The number of individuals employed remained the same from July to August at 242,500, while a decrease occurred in the number of unemployed individuals, from 10,100 in July to 9,900 in August. Severance packages,

offered to some individuals who were laid off in recent months, may have contributed to the decrease in unemployed individuals because they have not yet filed for unemployment. Also, agricultural industries are hiring in all areas including field workers, truck drivers, and packing shed workers. There was a net decrease in the *Civilian Labor Force* of only 200 individuals from July to August 2001, and an increase of 14,500 individuals from one year ago. Treasure Valley Table 2 shows the August 2001 labor force figures for all counties in Southwest Idaho.

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